

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1938-01
Bill No.: HB 812
Subject: Licenses - Motor Vehicle; Revenue Department
Type: Original
Date: March 15, 2011

Bill Summary: This proposal creates a special "Cass County - The Burnt District" license plate.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Highway Fund	\$0 or Less than \$100,000	\$0 or Less than \$100,000	\$0 or Less than \$100,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Less than \$100,000	\$0 or Less than \$100,000	\$0 or Less than \$100,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0 or Less than \$100,000	\$0 or Less than \$100,000	\$0 or Less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

According to officials from the **Joint Committee on Administrative Rules (JCAR)**, this proposal should not create any additional fiscal impact above current appropriations to JCAR.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the proposal. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Corrections-Missouri Vocational Enterprises** state this proposal will have no fiscal impact on their agency.

Officials from the **Department of Transportation** concur with the response from the Department of Revenue as it relates to this proposal.

Officials from the **Department of Revenue (DOR)** -Motor Vehicle Bureau provided the following assumptions:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$805 in FY12.
- The Application for Missouri Personalized and Specialty License Plates (DOR-1716) will need to be revised to include a new plate type. This will require 40 hours of overtime for a Management Analyst Specialist I, at a cost of \$805 in FY12.
- The DOR web site will need to be updated to include the new plate type. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$218 in FY12.

Total cost for FTE in FY 12: \$1,828

ASSUMPTION (continued)

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Set-up cost

DOR is charged \$250 for the initial set-up of a new specialty plate for passenger, truck, and RV as well as an additional charge of \$90 each to include disabled and motorcycle plates, for a total of \$430 for the initial set-up. This is a one-time fee that will be charged upon passage of this bill in FY12.

Plate manufacturing cost

Currently, it costs DOR \$4.25 per plate (\$8.50 per set of plates) for manufacturing flat plates through Missouri Vocational Enterprises. The number of applicants who will obtain this plate is unknown. DOR is assuming 200 applicants in FY12 at a cost to the Department of \$1,700 in FY12.

Total cost for plate set-up (in FY12 only) and manufacturing:

<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
\$1,847	\$1,743	\$1,786

Information Technology - OA-ITSD (DOR)

The Title and Registration Intranet Processing System (TRIPS) plate table would need to be updated to reflect the new specialty plate.

ASSUMPTION (continued)

Revenue Impact

The number of applicants who will wish to obtain this plate is unknown. However, for each 100 Cass County-The Burn District specialty plate applications received, there will be an increase in revenue each year of \$1,500 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

75%-Highway Fund	\$1,125
15%- Cities	\$ 225
10%- Counties	\$ 150

Since it is unknown how many plate applications will be received for this plate, for fiscal note purposes only, **Oversight** will estimate revenue as: \$0 to Less than \$100,000. **Oversight** will also estimate cost to General Revenue as: \$0 to (Less than \$100,000).

Oversight assumes contributions received by the Cass County collector of revenue would in turn be used for public safety and parks and recreation purposes. **Oversight** assumes this would be an indirect result of this proposed legislation and will show no fiscal impact

Officials from Cass County did not respond to a request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
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GENERAL REVENUE

<u>Cost</u> - Department of Revenue - Processing costs for specialty plates	\$0 or (Less than <u>\$100,000</u>)	\$0 or (Less than <u>\$100,000</u>)	\$0 or (Less than <u>\$100,000</u>)
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 or (Less than \$100,000)</u>	<u>\$0 or (Less than \$100,000)</u>	<u>\$0 or (Less than \$100,000)</u>
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HIGHWAY FUND

<u>Income</u> - Specialty plate fees	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>
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ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>\$0 or Less than \$100,000</u>	<u>\$0 or Less than \$100,000</u>	<u>\$0 or Less than \$100,000</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
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LOCAL POLITICAL SUBDIVISIONS

<u>Income</u> - Cities and Counties - Specialty plate fees	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or Less than \$100,000</u>	<u>\$0 or Less than \$100,000</u>	<u>\$0 or Less than \$100,000</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal creates a special "Cass County - The Burnt District" license plate.

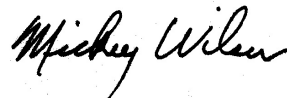
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Department of Corrections - Missouri Vocational Enterprises
Office of Secretary of State
 Administrative Rules Division
Joint Committee on Administrative Rules

NOT RESPONDING

Cass County



Mickey Wilson, CPA
Director
March 15, 2011